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**AUDIT: COLLEGE STUDENT AID COMMISSION**

**Audit Report.** On August 28, 2017, the Auditor of State released a report on the annual audit of the College Student Aid Commission for the year ended June 30, 2016. The following two findings and recommendations were addressed.

**Internal Control.** In the annual Generally Accepted Accounting Principles (GAAP) submission to the State Accounting Enterprise, the Commission understated cash on hand by \$52,562 and understated prepaid expenses by \$15,149 at June 30, 2016. The Commission also overstated unearned revenue by \$16,303 and overstated intangible assets by \$186,806 at June 30, 2016.

The Commission acknowledged omissions in the reporting of cash on hand and prepaid expenses, a miscalculation in the reporting of unearned revenue, and incorrect capitalization of software development costs in the reporting of intangible assets. The Commission will ensure that future reporting in the GAAP submission is accurate and that software development costs are properly capitalized.

**Iowa Code Compliance.** The audit found that the Commission's Targeted Small Business (TSB) procurement goal for FY 2016 was not set at a level exceeding the FY 2015 actual TSB spending, as required by Iowa Code section [73.16](#). The Commission responded that it will establish certified TSB procurement goals that exceed the level of spending in the previous fiscal year.

**Full Report.** The full audit report can be found on the Auditor of State's website at [auditor.iowa.gov/reports/1760-2840-0R00.pdf](http://auditor.iowa.gov/reports/1760-2840-0R00.pdf).

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